

20 November 2024
Scott Technology Annual Meeting 2024

CHAIRMAN'S ADDRESS

[Stuart McLauchlan, Chairman and Independent Director]

On behalf of the Board of Directors, I am pleased to welcome you to Scott Technology's 2024 Annual Shareholders' Meeting and present the results and highlights of Scott's financial year.

Today, we celebrate the achievements of the past year and share our vision for continued growth and value creation in the years ahead. The resilience and success we have demonstrated in 2024 reflect the dedication and excellence of our employees worldwide, as well as the strength of our world-class products and innovative technology.

As we reflect on our achievements, it's also important to acknowledge the broader business landscape in which we operate. The global environment remains complex, and several persistent trends shaping the way we navigate our markets:

- Though interest rates are starting to ease, they remain elevated compared to pre-pandemic levels.
- Inflation has moderated but still hovers above targets in many regions.
- Economic growth varies significantly across regions, adding to market unpredictability.
- Ongoing geopolitical tensions continue to drive companies toward nearshoring to strengthen supply chain resilience.

Yet, amid these challenges, we see strong opportunities, and Scott is well-positioned to adapt and thrive. Our global footprint empowers us to support customers as they adjust their operations to meet economic and geopolitical shifts, offering solutions that enhance resilience and responsiveness in an ever-evolving market.

As businesses increasingly bring production closer to their core markets, Scott's product-led solutions remain critical assets in creating efficient, localised operations. Our strategic presence across North America, Europe, Australasia, and China allows us to partner closely with companies focused on strengthening their regional supply chains, helping to enhance their productivity, security, and long-term stability.

As we continue navigating the complexities of the global business environment, Scott's focus on innovation and operational excellence has positioned us well to capture growth opportunities.

FY24 HIGHLIGHTS POSITIONED FOR GROWTH

Despite inflationary pressures and rising costs, Scott achieved strong results in FY24, with revenues of \$276 million, a 3% increase YoY, and a stable EBITDA of \$30.2 million. This growth reflects the demand for our solutions and the effectiveness of our strategic initiatives.

Our success is driven by a commitment to building authentic customer partnerships, leveraging cutting-edge technology, and upholding operational excellence. Looking ahead, we are excited to extend the Scott 2025 strategy through to 2027, providing a foundation for sustainable, long-term growth in the dynamic field of smart, product-led automation.

Our forward work pipeline remains solid, with \$160 million in orders and service agreements across core sectors, including materials handling (MHL), minerals, and protein. This growth trajectory is supported by innovative, scalable solutions, such as the BladeStop T300, Poultry Trussing System, Automated Modular Solution for minerals, a new Modular Automated Guided Vehicle, new palletising solutions, and advanced processing solutions for both beef and lamb, which are progressing through key development stages.



This diversified product portfolio has provided stability and growth across key markets, supported by our focus on cultivating authentic customer partnerships, adopting leading-edge technologies, and maintaining high standards of operational performance.

Additionally, our investments in people and infrastructure remain core to our strategy. This year saw the successful launch of the new Rocklabs facility, investment in our Czech Republic site and an expansion of our North American presence. These developments reinforce our commitment to supporting customers and positioning Scott for future growth as well as responsible and sustainable operations

FIRST SUSTAINABILITY REPORT THREE YEARS INTO OUR ESG STRATEGY

This year marks an important milestone for Scott Technology as we release our first Sustainability Report, a significant step three years into our Environmental, Societal, Governance (ESG) journey. This report reflects our evolution as a company, our commitment to Climate-related Disclosures (CRD), and progress on key ESG initiatives, including setting our ambitious carbon reduction target of 30% by 2030.

We recognise our role in advancing a low-carbon, climate-resilient future and our responsibility to be a positive force in business. With industry-leading customers across multiple sectors, we understand the impact we can have in supporting their decarbonisation journeys and the ripple effect this creates across industries.

The Sustainability Report provides an in-depth look at our team's work in mapping Scope 1 and 2 emissions, a complex yet essential endeavour across our global operations – and details our progress with the Double Materiality Assessment, a comprehensive study to ensure our sustainability priorities align with those of our stakeholders.

By carefully aligning our ESG initiatives with our core purpose and the needs of our stakeholders, we have built a robust ESG Framework centred on our foundational pillars of People, Purpose, and Place, as outlined in this report. Among our significant achievements this Sustainability Report highlights a major milestone: reaching a Lost Time Injury Frequency Rate (LTIFR) of 0 in FY24. This accomplishment exemplifies our commitment to safety and reflects the high-performance culture that is embedded at Scott.

DIVIDEND

In line with our commitment to delivering consistent returns to shareholders while supporting reinvestment for long-term growth, we have declared a final dividend of 3.0 cents per share, bringing the full-year total to 8.0 cents for FY24.

OUTLOOK

Looking ahead, we are confident in Scott's ability to maintain its growth trajectory, bolstered by the recent appointment of Mike Christman as CEO on 29 October. With his extensive experience and fresh perspective, Mike is exceptionally well-positioned to lead Scott toward continued success in the years to come.

Our robust order book and the strong, ongoing interest from our global customer base highlight the sustained demand for our market-leading products and solutions. Moreover, the substantial investments we have made into the business, along with the strategic initiatives outlined in Scott 2027, provide a solid foundation for sustained growth in FY25 and beyond. These efforts reflect our dedication to both strengthening our core capabilities and exploring new avenues for value creation.

In closing, I would like to extend my sincere gratitude to the Board for their guidance and support throughout the year. With a clear strategy, a talented and dedicated team, and strong leadership at the helm, we are well-positioned to embark on another year of growth and achievement.

We remain confident in the positive impact we will continue to deliver for our stakeholders and the lasting value we aim to create across our markets.